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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER

8-48233

## FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 04/01/07 AND ENDING 03/31/08  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Macquarie Capital Markets North America Ltd.  
(formerly Orion Securities (USA) Inc.)

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

181 Bay Street, Suite 3100, Box 830, Brookfield Place

(No. and Street)

Toronto

Ontario, Canada

M5J 2T3

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Chris Salapoutis

(416) 848-3621

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

PricewaterhouseCoopers LLP

(Name - if individual, state last, first, middle name)

PricewaterhouseCoopers Center, 300 Madison Avenue, New York, NY 10017

(Address)

(City)

(State)

(Zip Code)

## CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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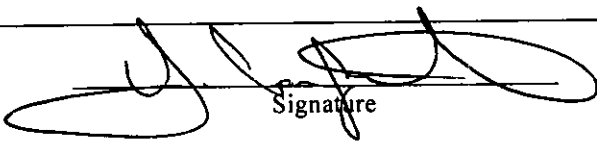
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## OATH OR AFFIRMATION

I, Chris Salapoutis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Macquarie Capital Markets North America Ltd. (formerly Orion Securities (USA) Inc. of March 31, 20 08, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

N/A

  
Notary Public

  
Signature

CHIEF FINANCIAL OFFICER

Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

**MACQUARIE CAPITAL MARKETS  
NORTH AMERICA LTD.**

**(formerly Orion Securities (USA) Inc.)**

**(a wholly-owned subsidiary of Macquarie Capital Markets  
Canada Ltd. (formerly Orion Securities Inc.))**

**(SEC I.D. No. 8-48233)**

*Financial Statements and Supplemental Schedules for the Year  
Ended March 31, 2008 and Independent Auditor's Report and  
Supplemental Report on Internal Control*

Filed pursuant to Rule 17a-5(e)(3) under the Securities Exchange Act  
of 1934 as a PUBLIC DOCUMENT.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Table of Contents**

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**This report \*\* contains (check all applicable boxes):**

	<b>Page</b>
(x) (a) Independent Auditors' Report.	
(x) Facing Page. (Attached Separately)	
(x) (b) Statement of Financial Condition.	2
(x) (c) Statement of Income.	3
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(x) (e) Statement of Changes in Stockholder's Equity.	5
( ) (f) Statement of Changes in Subordinated Liabilities (not applicable).	
(x) Notes to Financial Statements.	6 - 8
(x) (g) Computation of Net Capital Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.	9
(x) (h) Computation for Determination of Reserve Requirement for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.	10
( ) (i) Information Relating to the Possession or Control Requirements Pursuant to Rule 15c-3-3 under the Securities Exchange Act of 1934 (not applicable).	
( ) (j) A Reconciliation, including Appropriate Explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation of Determination of the Reserve Requirement Under Exhibit A of Rule 15c3-3 (not required).	
( ) (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation (not applicable).	
(x) (l) An Affirmation. (Attached Separately)	
( ) (m) A Copy of the SIPC Supplemental Report (not required).	
(x) (n) A Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control). (Attached Separately)	

**\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17(a)-5 (e)(3).**

PricewaterhouseCoopers LLP  
PricewaterhouseCoopers Center  
300 Madison Avenue  
New York, NY 10017  
Telephone (646) 471 3000  
Facsimile (813) 286 6000

**Report of Independent Auditors**

To the Board of Directors and Stockholder of  
Macquarie Capital Markets North America Ltd. (formerly Orion Securities (USA) Inc.)

In our opinion, the accompanying statement of financial condition and the related statements of income, changes in stockholder's equity and cash flows present fairly, in all material respects, the financial position of Macquarie Capital Markets North America Ltd. ("the Company") at March 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Supplemental Schedules G and H is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*PricewaterhouseCoopers LLP*

May 29, 2008

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Statement of Financial Condition**  
Year Ended March 31, 2008  
(Expressed in U.S. \$ - 000's)

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**ASSETS**

Cash	\$	4,304
Due from:		
Clients		1,278
Parent - broker accounts		4,322
Parent - intercompany		879
Other assets		191
<b>Total Assets</b>	<b>\$</b>	<b>10,974</b>

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**LIABILITIES**

**CURRENT**

Due to:		
Clients	\$	4,322
Parent - broker accounts		1,278
Accounts payable and accrued liabilities		73
Income taxes payable		268
<b>Total Liabilities</b>		<b>5,941</b>

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**COMMITMENTS (Note 3)**

**STOCKHOLDER'S EQUITY**

**CAPITAL STOCK**

Authorized		
Unlimited common shares		
Issued and outstanding		
4,500,000 common shares		4,500

<b>RETAINED EARNINGS</b>		<b>533</b>
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		<b>5,033</b>
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<b>Total Stockholders' Equity and Liabilities</b>	<b>\$</b>	<b>10,974</b>
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See accompanying notes to financial statements.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Statement of Income**  
Year ended March 31, 2008  
(Expressed in U.S. \$ - 000's)

<b>REVENUES</b>	
Commissions	\$ 11,232
Underwriting	3,260
Interest	178
Other	60
<b>Total Revenue</b>	<b>14,730</b>
<b>EXPENSES</b>	
Commission (Note 4)	7,547
Administrative services (Note 4)	6,447
Operating and general	127
<b>Total Expenses</b>	<b>14,121</b>
<b>INCOME BEFORE PROVISION FOR INCOME TAXES</b>	<b>609</b>
<b>PROVISION FOR INCOME TAXES (Note 5)</b>	<b>190</b>
<b>NET INCOME</b>	<b>\$ 419</b>

See accompanying notes to financial statements.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Statement of Cash Flows**  
**Year ended March 31, 2008**  
**(Expressed in U.S. \$ - 000's)**

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**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net Income	\$	419
(Increase) decrease in operating assets:		
Due from Clients		6,526
Due from Parent - broker accounts		(2,753)
Due from Parent - intercompany		(450)
Other assets		(71)
Increase (decrease) in operating liabilities:		
Due to Clients		2,753
Due to Parent - broker accounts		(6,526)
Accounts payable and accrued liabilities		(255)
Income taxes payable		256
Net Cash Flow Used by Operating Activities		(101)

<b>CASH, BEGINNING OF YEAR</b>		<b>4,405</b>
<b>CASH, END OF YEAR</b>	<b>\$</b>	<b>4,304</b>

**SUPPLEMENTARY CASH FLOW INFORMATION**

Cash paid for interest	<u>\$</u>	<u>Nil</u>
Cash paid for income taxes	<u>\$</u>	<u>3</u>

See accompanying notes to financial statements.



**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Statement of Changes in Stockholder's Equity**  
Year ended March 31, 2008  
(Expressed in U.S. \$ - 000's)

	<u>Common Shares</u>	<u>Retained Earnings</u>	<u>Total</u>
BALANCE, BEGINNING OF YEAR	\$ 4,500	\$ 114	\$ 4,614
NET INCOME	-	419	419
BALANCE, END OF YEAR	\$ 4,500	\$ 533	\$ 5,033

See accompanying notes to financial statements.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Notes to the Financial Statements**  
**March 31, 2008 (\$000's)**

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**ORGANIZATION AND NATURE OF OPERATIONS**

Macquarie Capital Markets North America Ltd. (the "Company") (formerly Orion Securities (USA) Inc.) is a registered investment dealer with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA) in the United States of America. The Company is a wholly owned subsidiary of Macquarie Capital Markets Canada Ltd. (formerly Orion Securities Inc.), was incorporated on April 28, 1994 and commenced operations in the 1996 fiscal year.

On November 30, 2007, the parent of Macquarie Capital Markets Canada Ltd., Orion Financial Inc. (renamed 45497 Ontario Ltd.) was acquired by Macquarie Capital Acquisitions (Canada) Ltd., a Canadian incorporated subsidiary of Macquarie Bank Limited. The purchase price included a combination of cash and Macquarie Group Limited shares.

The Company provides brokerage services to institutional clients that are located in the United States of America. The transactions are cleared through the facilities of the Parent.

**1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with United States generally accepted accounting principles, and reflect the following policies:

*Securities transactions*

Client securities transactions are reported on a settlement date basis.

*Translation of foreign currency*

The functional currency of the Company is the U.S. dollar. Accordingly, monetary assets and liabilities of the Company that are denominated in foreign currencies are translated into U.S. dollars at exchange rates prevailing at the balance sheet date. Transactions included in operations are translated at the average rates for the year. Exchange gains and losses resulting from the translation of these amounts are reflected in income in the respective financial statement line items in the year in which they occurred.

*Commissions*

Commissions with respect to client trades are accrued on the settlement date basis, and are included in current period income.

*Underwriting and advisory*

Underwriting and advisory revenues are recognized when earned, which is typically on the closing date.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Notes to the Financial Statements**  
**March 31, 2008 (\$000's)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Income taxes*

The Company follows the asset and liability method of accounting for corporate income taxes. Under this method, deferred tax assets and liabilities represent the cumulative amount of tax applicable to temporary differences between the carrying amount of the assets and liabilities, and their values for tax purposes. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Changes in deferred income taxes related to a change in tax rates are recognized in income in the period of the tax rate change.

*Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. These estimates include accrued liabilities and income taxes payable. Estimates by their nature, are based on judgment and available information. Management believes that the estimates utilized in the preparation of the financial statements are prudent and reasonable. Actual results could differ materially from those estimates.

**2. COMMITMENTS**

*Leases*

The Company does not have any leases as at March 31, 2008.

*Regulatory Authorities*

In the normal course of its business, the Company is subject to inquiries and audits by various regulatory authorities. As a regulated entity, the Company may be subject to disciplinary actions as a result of current or future examinations that could have a material adverse effect on the Company's financial position, results of operations or liquidity over and above any previously accrued amounts. As at March 31, 2008, the Company is not subject to disciplinary actions.

**3. RELATED PARTY TRANSACTIONS**

Transactions with related parties are in the normal course of operations and are recorded at the agreed upon exchange amount.

Commission expense in the Statement of Income represents amounts paid to the Parent, as compensation for commission revenue. Administrative services expenses in the Statement of Income are paid to the Parent and include the recovery of administrative and operational costs incurred by the Parent on the Company's behalf.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Notes to the Financial Statements**  
**March 31, 2008 (\$000's)**

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**4. INCOME TAXES**

The provision for income taxes relates to Canadian income taxes payable for the Company. The effective rate is the same as the statutory rate. As at March 31, 2008, the Company has no temporary differences.

**5. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule ("Rule 15c 3-1"), which requires the maintenance of minimum net capital of \$250. At March 31, 2008, the Company had net capital of \$3,921, which was \$3,671 in excess of its required net capital of \$250. The Company changed its basis of calculating its Net Capital Rule from the Basic Method to the Alternate Method effective September, 2006.

**6. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK**

In the normal course of its business, the Company's clients' activities involve the execution and settlement of various securities transactions. These activities may expose the Company to the risk of loss in the event clients, other brokers and dealers, banks, depositories or clearing organizations are unable to fulfill contractual obligations. The Company monitors the credit standing of counterparties with whom it conducts business on a periodic basis in order to control the risks associated with these activities. In the event a client fails to satisfy its obligations, the Company may be required to purchase or sell securities at prevailing market prices in order to fulfill the client's obligations.

**7. CONCENTRATIONS OF CREDIT RISK**

Performance of substantially all of the clearing and depository operations for the Company is the responsibility of the Parent pursuant to an operating agreement. The Parent utilizes the services of its carrying broker, to the extent necessary, to carry out these responsibilities. The agreement provides that the Company is obligated to assume any exposure related to nonperformance by its clients. The Parent, on behalf of the Company, reviews, as considered necessary, the credit standing of the counterparties with which the Company conducts business. The Company's exposure to credit risk associated with the nonperformance by counterparties in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile securities markets, credit markets and regulatory changes. Credit risk is the amount of accounting loss the Company would incur if a counterparty failed to perform its obligations under contractual terms.

**8. FAIR VALUES OF FINANCIAL INSTRUMENTS**

Substantially all of the Company's assets and liabilities are carried at fair value or contracted amounts which approximate fair value.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Computation of Net Capital for Brokers and Dealers**  
**Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934**  
**Year ended March 31, 2008**  
**(Expressed in U.S. \$ - 000's)**

Schedule g

Stockholder's equity from statement of financial condition	\$	5,033
Less: Non-allowable assets		1,070
Additional charges for customers' and non-customers' security accounts		42
Net capital		3,921
Alternate net capital requirement		
Minimum net capital	\$	250
Net capital requirement		
Excess net capital	\$	3,671

There are no material differences between the computation of net capital presented herein and that reported by the Company in its unaudited Part II of Form X-17A-5 filed April 23, 2008. The Company adjusted Tax Expense by \$129 to reflect current year tax filing.

**MACQUARIE CAPITAL MARKETS NORTH AMERICA LTD.**  
**(a wholly-owned subsidiary of Macquarie Capital Markets Canada Ltd.)**  
**Schedule of Computation for Reserve Requirements**  
**Pursuant to SEC Rule 15c 3-3**  
Year ended March 31, 2008  
(Expressed in U.S. \$ - 000's)

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Schedule h

The Company does not carry any client accounts and is exempt from Securities and Exchange Rule 15c3-3 under paragraph k(2)(i).

PricewaterhouseCoopers LLP  
PricewaterhouseCoopers Center  
300 Madison Avenue  
New York, NY 10017  
Telephone (646) 471 3000  
Facsimile (813) 286 6000

**To the Board of Directors and Stockholder of  
Macquarie Capital Markets North America Ltd. (formerly Orion Securities (USA) Inc.)**

In planning and performing our audit of the financial statements of Macquarie Capital Markets North America Ltd. (the "Company") as of and for the year ended March 31, 2008 in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included tests of compliance with such practices and procedures, that we considered relevant to the objectives stated in Rule 17a-5(g), in making the following:

1. The periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11); and
2. Determining compliance with the exemptive provisions of Rule 15c3-3.

Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13; and
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control

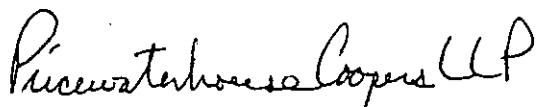
deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first, second, and third paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at March 31, 2008 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, FINRA, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



May 29, 2008